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C O N F I D E N T I A L SANAA 000168

SIPDIS

FOR NEA/ARP AMACDONALD AND LFREEMAN AND INR JYAPHE

E.O. 12958: DECL: 01/26/2020  
TAGS: [PREL](#) [PGOV](#) [MOPS](#) [YM](#) [SA](#)  
SUBJECT: REBELS ANNOUNCE CEASEFIRE WITH SAUDI... IS A YEMEN  
PEACE DEAL NEXT?

REF: A. RIYADH 78  
[1](#)B. SANAA 64  
[1](#)C. SANAA 137

Classified By: CDA Angie Bryan for reasons 1.4(b) and (d).

[1](#)1. (C) SUMMARY. In an audio message on January 25, rebel leader Abdulmalik al-Houthi announced a unilateral ceasefire with Saudi Arabia and the withdrawal of Houthi rebels from Saudi territory, just two weeks after Saudi Arabia announced victory against the Houthis and - according to the Saudi side - significantly reduced military operations against the rebels. Although the ROYG has remained mum on the news, a ROYG-Houthi deal looks promising, especially in light of the ROYG's hopes for capitalizing on the upcoming London conference to secure potential funding for Yemen. If the Saudi ceasefire takes hold and President Saleh is again left alone to fight the Houthis, he might have the necessary impetus to give peace a chance. END SUMMARY.

[1](#)2. (C) Rebel leader Abdulmalik al-Houthi announced in a January 25 audio recording that the Houthis were initiating a unilateral ceasefire and withdrawal from Saudi Arabia, who has been fighting the rebels since November 3. Al-Haq Party Secretary General Hassan Zayd, who regularly mediates with the ROYG on behalf of the Houthis, told PolOff on January 26 that the Houthis had completely pulled out of Saudi territory, made possible by the cessation of Saudi airstrikes two weeks ago. (Note: On January 12, Saudi Deputy Defense Minister Prince Khalid bin Sultan announced that the Saudis had defeated the Houthi rebels, a claim the Houthis immediately denied (Ref A). End Note.) Ruling General People's Congress (GPC) Head of Foreign Relations Mohammed al-Qubati told PolOff on January 26 that the ROYG considered Houthi's statement a "recognition of the status quo" - the Houthis had been defeated by the Saudis and driven back from the border. Houthi said the ceasefire's goal was to "stop the bloodshed and bring an end to aggression against civilians." (Note: Although the SAG and some Houthi contacts say Saudi military operations were significantly curtailed in recent weeks, the official Houthi media continues to report on airstrikes resulting in civilian deaths. End Note.) Some observers, however, believe that the Houthis are finally feeling the toll of six months of fighting against two militaries (Ref B) and, according to Zayd, are fearful of potentially unfavorable discussions on Sa'ada during the January 27 London conference.

[1](#)3. (C) Post contacts assess that the ceasefire announcement was precipitated by secret negotiations involving two influential mediators - al-Jawf tribal leader Sheikh Amin al-Ukaymi, an opposition Islah MP with close ties to Saudi

Arabia, and the Qatari government, which brokered the failed 2007 ceasefire agreement between the ROYG and the Houthis. On January 26, independent NewsYemen reported on an agreement between the ROYG, the SAG and the Houthis based on the Houthis' verbal acceptance of the ROYG's six points, including the sixth point of complete withdrawal from Saudi territory. According to NewsYemen, the ROYG will soon suspend military operations for 30 days to give the Houthis a chance to comply with the remaining five points, including conditions such as turning in weapons and abandoning military positions and illegal checkpoints. (Note: The Houthis officially accepted all six conditions in a January 6 letter delivered to President Saleh. End Note.)

¶4. (C) Presidential Advisor for Sa'ada Affairs Mohammed Azzan confirmed that the deal with Saudi Arabia was a result of weeks of shuttle diplomacy by Uqaymi. Resuming its 2007 role as mediator, the government of Qatar has also been involved in secret negotiations between the ROYG and the Houthis, according to Zayd. NewsYemen reported that Qatar agreed to assume the substantial cost of reconstructing Sa'ada. In mid-January, Qatari Emir Hamad bin Khalifa al-Thani announced the establishment of a new charity fund for Yemen, which many Yemenis took as a precursor to a comprehensive Qatari-funded ceasefire and reconstruction effort.

¶5. (C) While the ROYG has not yet made an official announcement, speculation on a near-term ROYG-Houthi ceasefire is rampant. The GPC's Qubati, who in his role as a ruling party leader has recently been involved in high-level discussions on Sa'ada, said he would not be surprised if he saw a ROYG-Houthi ceasefire in the next two to three days, and added that discussions regarding reconstruction of Sa'ada

had already begun in top government circles. Ending hostilities between Saudi Arabia and the Houthis was an important precondition to a ceasefire in Yemen, according to presidential advisor Azzan. Many Sana'a political observers, including NDI Deputy Country Director Murad Zafir, believe that President Saleh would never choose to end the war in Sa'ada while the Saudis were still heavily engaged.

¶6. (C) With the London conference approaching, the ROYG has been sending conciliatory signals on a number of fronts - from its enthusiasm for tackling al-Qaeda in the Arabian Peninsula to resuming dialogue with the opposition parties (Ref C) and, potentially, striking a deal with the Houthi rebels. The ROYG recognizes the potential for securing additional donor funding to deal with Yemen's many challenges, as long as it demonstrates a political will to reform. In comments to London-based al-Hayah Online, Deputy Minister for Planning and International Cooperation Hisham Sharaf called the London conference the "right opportunity to highlight the challenges facing Yemen" and to form a partnership with donor nations to confront these challenges. In meetings with the Ambassador in late January, Deputy Prime Minister for Defense and Security Rashad al-Alimi and Deputy Foreign Minister Muhi al-Dhabbi both said they planned to make a case for Yemen's assistance needs at the London conference and expected those needs to be addressed at the follow-up conference in Riyadh in February.

COMMENT

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¶7. (C) If the ceasefire between the Houthis and Saudi Arabia holds in the near-term, as appears increasingly likely, it could provide the increased pressure as well as the necessary excuse for President Saleh to cut his own deal with the rebels. Left alone again to fend off the Houthis at a time of heightened attention on Yemen's multiple crises, the potential for hundreds of millions of Qatari and other donor dollars flooding into Yemen for Sa'ada reconstruction might provide an adequate incentive for Saleh to end the war and begin the peace process. END COMMENT.

¶8. (U) Embassies Riyadh and Doha have cleared this cable.

